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not having arrived at that questioning and challenging state of mind which insists upon bringing political action into line with reasoned theories or experimental programs. Obviously, we have here a group of ideas by which all theories of government, all attitudes and decisions of judges, and all radical economic programs, including revolutionary ones, can be analyzed. Law, policy and administration are products in part of instinctive reactions, in part of habit, in part of "rationalizing," in part of experimental intent. The ratios are ever shifting. The class struggle shifts its ground as the ratios shift, and presently decisions and theories adjust themselves to the new social topography.

To the student of law the most interesting and valuable pages turn out to be (as the chapter headings promise) those of Book II on "Social Psychology and Jurisprudence." Their key note is the assumption that the lawyer's professional method of thinking is deductive, and that judges, even more than the practicing lawyer, think deductively and rarely by the inductive method of the scientific investigator. There are indications, however, that Professor Williams is alertly observant of the inductive habits of writers like Pound, and of judges like Holmes. The chief contention of these chapters is that the "attitude" of judges (a state of mind largely unconscious) is a factor in decision far from negligible.

It would be impossible for an author, whatever his equipment, to produce a work of such scope and fundamental character as this, free from error and not provocative of dissent by colleagues. I shall offer two criticisms only. Professor Williams' sympathies are unmistakably with the under dog in the class struggle. His "attitude" is neither uncertain nor disguised. His work would have been more effective, more complete and, I think, more scientific if he had given us side by side with his analysis of the psychology of dominant men an analysis also of the correlated psychology of those subordinated classes whose "inferiority complex" is as characteristic as the superiority complex of the exploiters. One of the outstanding psychological facts of trade unionism, of communism, and of revolution is the attempt of subordinated people to save their face and their interests by limiting the life possibilities of superiors. The impulse so to behave undoubtedly accounts also for much of our conventional morality, and for no small part of our law. It is probably, for example, the true psychological explanation of prohibition and of blue law legislation in general.

I do not like Professor Williams' way of disposing of what he calls "sociology" in distinction from what he calls "social psychology." The few pages that he devotes to sociology are found in a chapter on "Social Psychology as Related to Economics, History and Sociology." If no distinction should be made between social psychology and sociology there was no occasion to deal with sociology separately; but if by sociology we are to understand a study of pluralistic reaction to stimulus (collective action) in distinction from a study of the motives of men regarded as individuals, then the foundations of the social sciences are not found altogether within the field of social psychology. Foundations broader and quite as deep are found also within the field of sociology which, therefore, should be as carefully described as the field of the individual motives is.

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FRENCH COMPANY LAW (*Sociétés Anonymes*) English and Foreign Companies in France. By PIERRE PELLERIN. London: STEVENS & SONS, LTD. 1920. pp. 159.

This is a practical handbook for the use of lawyers and business men. The law under which French corporations, known as *société anonymes*, are organized is the law of July 24, 1867, as modified by later laws. The author gives a summary

of these laws relating to the organization and general control of corporations, the issue of shares and debentures, financial statements, dissolution and taxation. He also gives an outline of the formalities to be complied with by English and foreign companies in France with respect to the French inland revenue. The book contains a collection of forms. The index is not so full and complete as it should be, and the table of contents is printed not where one expects to find it, but at the end of the preliminary chapter.

The book is also of interest to the student of comparative law, as it presents in compact compass the principal differences in the organization, control and operation of a French company, as compared with an English or American company. The more important of these differences are the following:

(1) The *société anonyme* is constituted by the execution and filing of a document known as *Statuts*. This includes all that is contained in the memorandum of association and articles of association of an English company or the certificate of incorporation and by-laws of an American company, and also a part of what appears in the minutes of the meetings of an American company.

(2) All the shares must be fully subscribed for. They may be issued for property, including patents and good will, but not, it seems for services, excepting founders' shares, and one-quarter must be paid in cash.

(3) Shares must have a par value. Shares which are fully paid for may be and usually are issued payable to bearer.

(4) In addition to ordinary shares and preference shares, such as are common in an American company, there are vendors' shares and founders' shares. Vendors' shares are issued for property and are not negotiable for two years after the incorporation of the company. Founders' shares are issued to promoters and to subscribers in consideration of a large subscription or a cash subscription, and are sometimes reserved in order to remunerate services rendered after the incorporation of the company. They entitle the holder to a certain portion of the net profits, but do not give the right to vote at general meetings.

(5) It is stated in the text at page 31 that at general meetings each holder is entitled to one vote, without regard to the number of his shares, unless there is a provision to the contrary in the *Statuts*, and if there is such a provision "the maximum of votes which a shareholder can have is ten." Again, on page 48, it is stated: "Very often one share one vote is provided by the *Statuts*, sometimes the number of votes is extended, but not beyond ten (10) for one shareholder, whatever may be the number of shares held, so that the largest shareholder cannot have the majority." This was in accordance with the law of 1867, but it has apparently been modified, for it is stated, on page 54: "As a rule, all shareholders have, at a general meeting, an equal right of voting proportional to the number of shares which they hold," and in the form for the *Statuts* the suggested provision is that "every member of the meeting has as many votes as he represents shares, either as owner or as proxy."

(6) Directors may be elected for a term not exceeding six years, and they are usually elected for the maximum period. They must be shareholders, their shares being security for all their acts done in the management of the company. And they can be removed from office at any time by vote of the shareholders at an ordinary general meeting.

(7) Directors are liable for mismanagement both to the shareholders individually, who may appoint an agent to represent them all, and also to the shareholders collectively, who can bring what is called an *action sociale*, corresponding to our stockholders' representative action.

(8) The general control of *sociétés anonymes* is vested in the directors, but it is stated that the directors are subject to the supervision of the auditors known

as *commissaires de surveillance*. This supervision, however, does not seem to involve any direct control or power over the directors, but is exercised simply by the examination of the accounts and the preparation of a report for the consideration of the general meeting. The auditor's examination and report are conspicuous features of the French law of corporations and there are very specific provisions relating thereto.

(9) A *société anonyme* is dissolved when all its shares are acquired by one person.

It may be expected that, with a resumption of active commercial intercourse with France, there will be increasing need of a knowledge of the French law, relating to French corporations and foreign corporations doing business in France. A handbook of the law, however accurate it may be, cannot be depended upon by an American lawyer in advising his clients, but it may be of considerable use to those who have occasion to employ a foreign lawyer. And for this purpose this handbook may be commended as containing in convenient form a summary of the essentials of the law.

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POLITICAL SYSTEMS IN TRANSITION: War-Time and After. By CHARLES G. FENWICK. New York. THE CENTURY CO. 1920. pp. xi, 322.

The object of this book, as stated by the author, is "to survey the changes brought about by the war in the governments of the United States, and in so doing to exhibit, by comparison and contrast, the relative strength and weakness of the several political systems and the probable lines of future reconstruction." Certain limitations, which Professor Fenwick fully recognizes, instantly suggest themselves. Most of the changes dealt with are too recent to be definitively appraised; many are continuing, on unexpected lines, under our very eyes; and speculation about what is going to happen is no less hazardous in this field than in most others. None the less, as a study in political dynamics—a kaleidoscopic view of governments in the making and of governments bending in new directions to meet the necessities of an extraordinary period—the book is thoroughly justifiable, and indeed decidedly useful.

The treatment of European governments is very brief, running to a bare hundred pages. One chapter lightly sketches the constitutions of Great Britain and the principal continental states on the eve of the war; two others describe the political changes brought about by the war in, first, the countries with autocratic governments, second, those with democratic systems. There is no attempt at narrative. But the collapse of the German and Russian autocracies is commented on and the new schemes of government that arose in their stead, republican and soviet respectively, are so characterized as to bring out their salient characteristics. Of interest here, too, are the observations that are made on the initial advantages of autocracy over democracy in war-time.

The bulk of the volume, however, is devoted to the United States, being so planned as to supplement, rather than to duplicate, Dr. W. F. Willoughby's *Government Organization in War-Time and After*. Here we find a more satisfying, because fuller, treatment of the political problems raised by war and of the means thus far employed to solve them. Three chapters deal with the federal government in war-time, one chapter describes the new legislative and administrative activities of the states, two consider the new ideals of democracy and the pending questions of governmental reorganization, and at the close comes the inevitable chapter on the problem of international organization.